

BILL NO. S-89-03-11 (as amended) (as amended) (as amended)
(as amended)

SPECIAL ORDINANCE NO. S- 62-89

AN ORDINANCE authorizing the City of Fort Wayne to borrow monies from the Community Trust to make certain improvements to Carrington Field.

WHEREAS, RediMed Professional Sports, Inc. has expressed a desire to relocate their Class A professional baseball team franchise to Fort Wayne, Indiana, beginning with the 1990 season;

WHEREAS, Carrington Field is an appropriate location for said franchise;

WHEREAS, there are certain improvements to Carrington Field necessary to prepare it for use as the home field of a Class A professional baseball team;

WHEREAS, it is estimated that the costs for said improvements would be approximately Two Million Dollars (\$2,000,000.00);

WHEREAS, the City of Fort Wayne Community Trust has an unencumbered balance in excess of Two Million Dollars (\$2,000,000.00);

WHEREAS, it is believed that private contributions will be made to finance approximately one half of the cost of the needed Carrington Field improvements;

WHEREAS, the City of Fort Wayne is authorized to borrow money from the Community Trust provided that such borrowing is approved by both the Community Trust Board of Trustees and the City of Fort Wayne Common Council;

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA:

SECTION 1. That the City of Fort Wayne is hereby authorized to borrow an amount not to exceed 1.2 Million Dollars from the Fort Wayne Community Trust to be used to make improvements to Carrington Field in order to attract the relocation of a Class A professional baseball team.

SECTION 2. That any such borrowing shall be for a

period of fifteen years (15) at an interest rate of 6.48% per annum.

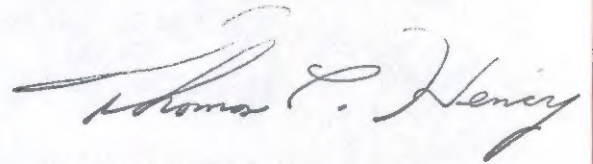
SECTION 3. That any such borrowing shall be secured by a lease from the professional baseball franchise, with annual lease payments equal to or greater than the amount necessary to repay the principal and interest to the Community Trust, which lease proceeds shall be pledged to the Community Trust as security for and the only source of the repayment of the City's obligations hereunder, which lease shall be approved by the Common Council. That, in addition to the other conditions provided for herein, no City General Fund and City Park Fund monies shall be utilized to make improvements to any facilities necessitated by the relocation of amateur baseball currently using Carrington Field.

SECTION 4. That, in addition, any such lease and the payments thereunder shall be guaranteed by an irrevocable standby letter of credit, issued by a Fort Wayne, Indiana, financial institution or some other Indiana-based financial institution approved by the Controller of the City of Fort Wayne.

a. That any such lease contain a default clause which calls for an immediate payment equal to the unpaid balance of the Community Trust loan plus accrued interest in the event that the franchise ceases to field a baseball team at Carrington Field for any season covered by the lease, or during said lease term, ceases to maintain a player development contract with a major league baseball franchise.

SECTION 5. That, should the baseball franchise be unable to obtain such a guarantee of its lease obligations, then this authorization shall be null and void.

SECTION. 6. That this Ordinance shall be in full
force and effect from and after its passage and any and all
necessary approval by the Mayor.



Councilmember

1 BILL NO. S-89-03- //

2 ORDINANCE NO. S-_____

3 AN ORDINANCE authorizing the City of
4 Fort Wayne to borrow monies from the
Community Trust to make certain
improvements to Carrington Field.

5 WHEREAS, RediMed Professional Sports, Inc. has
6 expressed a desire to relocate their Class A professional
7 baseball team franchise to Fort Wayne, Indiana, beginning with
8 the 1990 season;

9 WHEREAS, Carrington Field is an appropriate location
10 for said franchise;

11 WHEREAS, there are certain improvements to Carrington
12 Field necessary to prepare it for use as the home field of a
13 Class A professional baseball team;

14 WHEREAS, it is estimated that the costs for said
15 improvements would be approximately Two Million Dollars
16 (\$2,000,000.00);

17 WHEREAS, the City of Fort Wayne Community Trust has an
18 unencumbered balance in excess of Two Million Dollars
19 (\$2,000,000.00);

20 WHEREAS, it is believed that private contributions will
21 be made to finance approximately one half of the cost of the
22 needed Carrington Field improvements;

23 WHEREAS, the City of Fort Wayne is authorized to borrow
24 money from the Community Trust provided that such borrowing is
25 approved by both the Community Trust Board of Trustees and the
26 City of Fort Wayne Common Council;

27 NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF
28 THE CITY OF FORT WAYNE, INDIANA:

29 SECTION 1. That the City of Fort Wayne is hereby
30 authorized to borrow an amount not to exceed 1.2 Million
31 Dollars from the Fort Wayne Community Trust to be used to make
32 improvements to Carrington Field in order to attract the
relocation of a Class A professional baseball team.

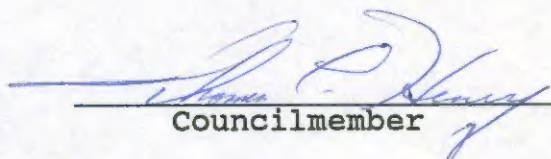
1 SECTION 2. That any such borrowing shall be for a
2 period of fifteen years (15) at an interest rate of 6.48% per
3 annum.

4 SECTION 3. That any such borrowing shall be secured by
5 a lease from the professional baseball franchise, with annual
6 lease payments equal to or greater than the amount necessary
7 to repay the principal and interest to the Community Trust,
8 which lease proceeds shall be pledged to the Community Trust
9 as security for and the only source of the repayment of the
10 City's obligations hereunder.

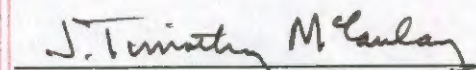
11 SECTION 4. That, in addition, any such lease and the
12 payments thereunder shall be guaranteed by an irrevocable
13 letter of credit, or some commitment similar, issued by a Fort
14 Wayne, Indiana, financial institution or some other financial
15 institution approved by the Controller of the City of Fort
16 Wayne.

17 SECTION 5. That, should the baseball franchise be
18 unable to obtain such a guarantee of its lease obligations,
19 then this authorization shall be null and void.

20 SECTION. 6. That this Ordinance shall be in full
21 force and effect from and after its passage and any and all
22 necessary approval by the Mayor.

23 
24 Councilmember

25 APPROVED AS TO FORM
26 AND LEGALITY

27 
28 J. Timothy McCaulay, City Attorney
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Read the first time in full and on motion by Henry, seconded by Shiv, and duly adopted, read the second time by title and referred to the Committee on Finance (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Conference Room 128, City-County Building, Fort Wayne, Indiana, on _____, 19____, the _____ o'clock _____ M., E.S.T.

DATED: 2-14-89

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by Henry, seconded by Shiv, and duly adopted, placed on its passage. PASSED ~~LOST~~ by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT
TOTAL VOTES	<u>6</u>	<u>3</u>		
BRADBURY		<u>✓</u>		
BURNS		<u>✓</u>		
GiaQUINTA	<u>✓</u>			
HENRY	<u>✓</u>			
LONG	<u>✓</u>			
REDD	<u>✓</u>			
SCHMIDT	<u>✓</u>			
STIER		<u>✓</u>		
TALARICO	<u>✓</u>			

DATED: 3-27-89

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ANNEXATION) _____ (APPROPRIATION) _____ (GENERAL) _____

(SPECIAL) (ZONING MAP) _____ ORDINANCE _____ RESOLUTION NO. D-62-89

on the 27th day of March, 19 89.

ATTEST

SEAL

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Charles S. Reed
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 28th day of March, 19 89, at the hour of 2:15 o'clock P. M., E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 6th day of April, 19 89, at the hour of 4:20 o'clock P. M., E.S.T.

Paul Helmke
PAUL HELMKE, MAYOR

DIGEST SHEETTITLE OF ORDINANCE ORDINANCEJ-89-03-11
(as amended) (as amended)
(as amended) (as amended)DEPARTMENT REQUESTING ORDINANCE MAYOR'S OFFICESYNOPSIS OF ORDINANCE ALLOWS THE CITY TO BORROW UP TO \$1.2 Millionfrom the Community Trust in order to make improvements to CarringtonField so as to attract a minor league baseball franchise toFort Wayne. Provides that the borrowing will be repaid overa fifteen year period at an interest rate of 6.48% per annum.Requires baseball franchise to sign 15 year lease with annual paymentsufficient to repay the Community Trust borrowings. Further requiresfranchise to obtain letter of credit, or other irrevocable guarantee,of its lease payment obligations.EFFECT OF PASSAGE Increases chance of franchise locating in Fort Wayne.EFFECT OF NON-PASSAGE Reduces chance of franchise locating in Fort Wayne.MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS) No direct costs toCity General Fund if accepted as proposed.

ASSIGNED TO COMMITTEE (PRESIDENT) _____

RESOLUTION
OF
THE CITY OF FORT WAYNE COMMUNITY TRUST
BOARD OF TRUSTEES

WHEREAS, under the terms of the Fort Wayne Community Trust Agreement, the Board of Trustees is permitted to lend money to the City of Fort Wayne at a reasonable rate of interest;

WHEREAS, pursuant to the Order and Judgment entered by the Allen Superior Court in certain litigation under Cause No. 02D01-8808-CP-1196, the Allen Superior Court determined that a reasonable rate of interest for loans from the Community Trust would be an interest rate not less than the rate of interest that the City pays for its tax anticipation time warrants in the year in which the borrowing is made;

WHEREAS, the interest rate which the City of Fort Wayne is paying on its tax anticipation time warrants for the year 1989 is 6.48%;

WHEREAS, the City of Fort Wayne has requested that the Board of Trustees authorize a loan of trust funds to the City in an amount not to exceed \$1.2 million for the purpose of making certain improvements to Carrington Field in order to attract a Class A baseball franchise;

WHEREAS, it is estimated that the cost for said improvements would be approximately two million dollars (\$2,000,000.00);

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE FORT WAYNE COMMUNITY TRUST:

1. The Board of Trustees hereby approves the lending of up to \$1.2 million to the City of Fort Wayne for the purposes of making improvements to Carrington Field in order to attract a Class A professional baseball franchise.

2. That the rate of interest for said borrowing shall be 6.48% per annum.

3. That the loan shall be repaid over a period not to exceed fifteen (15) years.

4. The loan is subject to the further conditions:

a. That any such borrowing be secured by a lease from the professional baseball franchise, with annual lease payments equal to or greater than the amount necessary to repay the principal and interest to the Community Trust, which lease proceeds shall be pledged to the Community Trust as security for the City's obligations hereunder.

b. That any such lease and the payments thereunder shall be guaranteed by an irrevocable standby letter of credit, issued by a Fort Wayne, Indiana, financial institution or some other Indiana-based financial institution approved by the Controller of the City of Fort Wayne.

- c. That any such lease contain a default clause which calls for an immediate payment equal to the unpaid balance of the Community Trust loan plus accrued interest in the event that the franchise ceases to field a baseball team at Carrington Field for any season covered by the lease, or during said lease term, ceases to maintain a player development contract with a major league baseball franchise.
- d. That the remaining amounts necessary to make the improvements to Carrington Field come from private contributions and not from "City of Fort Wayne funds.
- e. That the borrowing be approved by the Common Council of the City of Fort Wayne.
- f. That the borrowing be evidenced by a written promissory note approved by the Common Council.

DATE:

3/27/89

CITY OF FORT WAYNE
COMMUNITY TRUST BOARD OF TRUSTEES

BY:

Walter Seltzer
Angela Dehner
Michael M. Lynch
Mark E. Lee
L. P. Henry
Robert B. Hill

RECEIVED
City of Fort Wayne

MAR 27 1989

LAW DEPT.

DRAFT

PROPOSED IRREVOCABLE STANDBY LETTER OF CREDIT NO. _____
(Actual letter will be on Citizens National Bank letterhead)

March 27, 1989

Honorable W. Paul Helmke
Mayor, City of Fort Wayne
City-County Building
One Main Street
Fort Wayne, IN 46802

Dear Mayor Helmke:

We hereby establish our Irrevocable Standby Letter of Credit No. _____ in favor of the City of Fort Wayne by order of and for the account of Redi-Med Professional Sports, Inc., an Indiana corporation, for a sum not to exceed One Million Dollars, payable by your sight draft on us.

The draft must state on its face: "Drawn under Letter of Credit No. _____ of Citizens National Bank dated _____, 1989" and be accompanied by (1) this Letter of Credit, and (2) a written statement signed by an authorized official of the City of Fort Wayne stating "The Lease Agreement between the City of Fort Wayne and Redi-Med Professional Sports, Inc. dated _____, 1989 calling for a repayment to the City of Fort Wayne of the principal amount of One Million Dollars over a period of fifteen (15) years, unless sooner accelerated, is in default."

It is a further condition of this Letter of Credit that any interruption of our conduct of business which is caused by an Act of God, riot, civil commotion, insurrection, war or other cause beyond the Bank's control, or by a strike or lockout, and which interruption exists either when this Letter of Credit would otherwise expire or within fifteen (15) days before it would otherwise expire, will automatically extend the expiry date for fifteen (15) days after we reopen for business.

We hereby agree that a draft drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation to us and delivery of the documents as herein specified.

This Letter of Credit is effective _____, 1989 and expires _____, 1990, subject to renewal at the Bank's option, based upon the terms and conditions set forth in the Loan Agreement between the Bank and Redi-Med Professional Sports, Inc.; however, in the event said Letter of Credit is not renewed, the entire unpaid principal balance, together with any unpaid interest, shall be placed in an interest-bearing escrow account, which shall continue to guarantee the balance due under the lease.

Except as otherwise expressly stated herein, this Letter of Credit is subject to the Uniform Customs and Practice for Commercial Documentary Credits (1983 revision) International Chamber of Commerce Publication No. 400.

Sincerely,

Richard L. Houser
Senior Vice President

RLH:zl

BILL NO. S-89-03-11

REPORT OF THE COMMITTEE ON FINANCE

THOMAS C. HENRY, CHAIRMAN
MARK E. GIAQUINTA, VICE CHAIRMAN
BRADBURY, SCHMIDT, STIER

WE, YOUR COMMITTEE ON FINANCE TO WHOM WAS

REFERRED AN (ORDINANCE) (~~RESOLUTION~~) authorizing the
City of Fort Wayne to borrow monies form the Community Trust
to make certain improvements to Carrington Field

HAVE HAD SAID (ORDINANCE) (~~RESOLUTION~~) UNDER CONSIDERATION AND
BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID

(ORDINANCE)

(~~RESOLUTION~~)

DO PASS

DO NOT PASS

ABSTAIN

NO REC

Thomas C. Henry

Mark E. Giaquinta

Janet G. Bradbury

Sandra E. Kennedy

Janet G. Bradbury

DATED: 3-27-89.

Sandra E. Kennedy
City Clerk